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To enrich lives through effective and caring service.

July 18, 2006

Agenda Date: August 1, 2006

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVE ENERGY EFFICIENCY PROGRAM
CALIFORNIA PUBLIC UTILITIES COMMISSION
(3 VOTES) (ALL DISTRICTS)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the approval of this action is categorically exempt pursuant to the provisions of the California Environmental Quality Act (CEQA).
2. Authorize the Director of the Internal Services Department (ISD) or his designee to execute an agreement substantially similar in form to Attachment with Southern California Edison (SCE) and Southern California Gas Company (SCG) to implement energy projects in various County facilities with funds provided by the California Public Utilities Commission (CPUC).

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

The purpose of this recommendation is to authorize ISD's Director or his designee to enter into an agreement (see attachment) with SCE and SCG to allow ISD to complete energy efficiency projects within County facilities throughout SCE and SCG service territories. These projects will result in electricity and gas savings for the County.

In June 2004, your Board authorized participation in a partnership with SCE and SCG to utilize a CPUC grant of \$3.7 million to implement energy efficiency projects throughout County facilities. In December 2005, ISD, SCE and SCG submitted a proposal to the CPUC to continue this partnership for calendar years 2006 through 2008.

The 2006-08 ISD/SCE/SCG program has been awarded \$6.0 million by the CPUC and is centered around the County's Building "Tune-up" (retro-commissioning) program which was proven to be highly cost-effective under the 2004-05 partnership program. The retro-commissioning process focuses on optimizing the operation of existing heating, ventilation, and air conditioning systems in County facilities. The systems are optimized through conducting equipment repairs, upgrading some equipment, re-programming operating schedules and sequences and creating computer models to continuously track system performance. In addition, the 2006-08 program provides flexibility to identify and implement other, cost-effective energy savings projects such as lighting retrofits, lighting controls and other equipment retrofits.

The County buildings eligible for retro-commissioning must be in the SCE/SCG service territories and will be selected based on comparisons of historical energy consumption.

The attachment describes the program's scope-of-work.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

These energy savings projects support Goal Number 4 of the County's Strategic Plan, Fiscal Responsibility, by investing in the public infrastructure and generating reduced, ongoing utility expenses.

FISCAL IMPACT/FINANCING

There is no cost to the County to perform the building retro-commissioning as they are funded by the CPUC grant. The 2006-08 ISD/SCE/SCG partnership program will result in an estimated annual utilities savings to the County of approximately \$960,000 annually after all projects are implemented.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Under the agreement (see attachment) and in conjunction with the CPUC order, SCE will be responsible for overall program administration which includes dispersal of all funding and reporting program status to the CPUC. The agreement also defines each partner's individual responsibilities and identifies specific implementation plans. SCE's technical contractors will conduct the retro-commissioning projects and implement the associated energy savings measures. ISD will provide technical assistance including site selection and project screening, project management, use of energy management information systems and coordination with County facility managers and tenants.

ISD will also investigate non retro-commissioning retrofits and other cost-effective projects

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because they could receive incentives or be implemented under this program. For example, qualified energy projects that ISD is developing for possible implementation using other funding sources could be fully or partially funded under this program. Additional non retro-commissioning projects may also be implemented under this program if additional CPUC funding is made available to the partnership.

Per the CPUC Program requirements, all projects must be completed by December 2008.

The agreement has been approved as to form by County Counsel.

ENVIRONMENTAL DOCUMENTATION

The approval of this agreement is exempt from CEQA pursuant to Section 15301 of the state CEQA guidelines because the services to be performed under the agreement consist of minor alterations to public facilities and/or equipment involving no expansion of existing use.

CONTRACTING PROCESS

The agreement defines the roles and responsibilities for each of the parties. SCE and SCG will conduct the bidding processes, contract for all project implementation and make all payments for work completed for the retro-commissioning projects.

The agreement allows the County to approve the scope of work and the terms and conditions for all agreements between SCE, SCG and their contractors. ISD will manage all projects and oversee daily work progress in all County facilities.

IMPACT ON CURRENT SERVICES OR PROJECTS

Upon completion of the projects, inefficient and outdated equipment will have been replaced and the County utility costs will be reduced.

Respectfully submitted,

Tom Tindale for

DAVE LAMBERTSON
Director

DL:NH:ynj

Attachment

c: Chief Administrative Officer
Executive Officer
County Counsel

**AGREEMENT TO JOINTLY DELIVER
THE 2006-08 LOS ANGELES COUNTY ENERGY EFFICIENCY
PARTNERSHIP PROGRAM**

BETWEEN

THE COUNTY OF LOS ANGELES,

SOUTHERN CALIFORNIA GAS COMPANY

AND

SOUTHERN CALIFORNIA EDISON COMPANY

This program is funded by California utility customers and administered by the Utilities under the auspices of the California Public Utilities Commission.

THIS AGREEMENT TO JOINTLY DELIVER THE 2006-2008 LOS ANGELES COUNTY PARTNERSHIP PROGRAM (the "Agreement") is effective as of January 1, 2006("Effective Date") by and among SOUTHERN CALIFORNIA EDISON COMPANY ("SCE"), SOUTHERN CALIFORNIA GAS COMPANY ("SCG") (SCE AND SCG may be referred to herein individually as the "Utility" or collectively as the "Utilities,") and THE COUNTY OF LOS ANGELES, ADMINISTERED BY THE INTERNAL SERVICES DEPARTMENT ("LAC"). The Utilities and LAC may be referred to herein individually as a "Party" and collectively as the "Parties."

RECITALS

WHEREAS, the Parties previously executed the Agreement to Jointly Deliver The 2004-05 Los Angeles County Energy Efficiency Partnership Program, dated January 1, 2004 by and among SCE, SCG and LAC (the "04-05 Agreement");

WHEREAS, on September 22, 2005 the California Public Utilities Commission (the "Commission") in D.05-09-043 authorized certain energy efficiency programs to be delivered to California utility customers for the years 2006 through 2008 and the continuation of programs where local governmental entities partnered with utilities to deliver energy efficiency information and education to utility customers;

WHEREAS, the Utilities submitted applications (SCE Application 05-06-015, SCG Application 05-06-011) for the implementation of energy efficiency programs which included The 2006-08 LAC of Los Angeles Energy Efficiency Partnership Program (hereinafter referred to as the "2006-2008 Program"), involving the joint delivery of energy efficiency information, training and materials to LAC member agencies, business and residents located in SCE's and SCG's service territories; and

WHEREAS, the Parties desire to enter into an agreement sets forth the terms and conditions under which the 2006-2008 Program shall be implemented;

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. DEFINITIONS

All terms used in the singular will be deemed to include the plural, and vice versa. The words "herein," "hereto," and "hereunder" and words of similar import refer to this Agreement as a whole, including all exhibits or other attachments to this Agreement, as the same may from time to time be amended or supplemented, and not to any particular subdivision contained in this Agreement, except as the context clearly requires otherwise. "Includes" or "including" when used herein is not intended to be exclusive, or to limit the generality of the preceding words, and means "including without limitation." The following terms, when used herein with initial capitalization, shall have the meaning specified in this Section 1.

1.1. Agreement: This document and all exhibits attached hereto and incorporated herein, and as amended from time to time.

- 1.2. ALJ: The Administrative Law Judge assigned to the Commission's Energy Efficiency Rulemaking (R.01-08-028) or its successor proceeding.
- 1.3. Amendment: A future document executed by the authorized representatives of all Parties which changes or modifies the terms of this Agreement.
- 1.4. Approved Audit/Retrofit Project: Those certain retrofit projects on or for a specified existing Los Angeles County facility(ies) and/or affiliate facility(ies) that have been approved by the Management Team in accordance with Section 6.5.1 below and this Agreement.
- 1.5. Approved Project: Those certain Approved Audit/Retrofit Projects or Approved RCx Projects, as the case may be.
- 1.6. Approved RCx Project: Those certain RCx Projects on or for a specified existing Los Angeles County facility(ies) that have been approved by the Management Team in accordance with Section 6.5.2 below and this Agreement.
- 1.7. Authorized Budget. The Commission-approved total funding for performance of the Authorized Work is \$6,243,598.00 (\$1,500,000.00 from SCG and \$4,743,598.00 from SCE) or such other amount as may be determined by the Commission and which is broken down as follows:
 - (i) the Authorized Budget for LAC's performance of its Authorized Work (as defined in the Concept Papers) is \$5,130,400.00 (\$1,275,000.00 from SCG and \$3,855,400.00 from SCE);
 - (ii) the Authorized Budget for SCG's performance of its Authorized Work (as defined in its Concept Paper) is \$225,000.00;
 - (iii) the Authorized Budget for SCE's performance of its Authorized Work (as defined in its Concept Paper) is \$888,198.00.
- 1.8. Authorized Project Budget: The maximum approved budget for each Approved Audit/Retrofit Project or Approved RCx Project, as the case may be.
- 1.9. Authorized Work: The Parties' anticipated scope of the 2006-2008 Program in each Utility's service territory, approved by the Commission, as set forth in the Concept Papers.
- 1.10. Business Day: The period from one midnight to the following midnight, excluding Saturdays, Sundays, and holidays.

- 1.11. Calendar Day: The period from one midnight to the following midnight, including Saturdays, Sundays, and holidays. Unless otherwise specified, all days in this Agreement are Calendar Days.
- 1.12. Commissioning Agent: A Contractor hired to perform such Approved RCx Projects as authorized herein.
- 1.13. Concept Papers: The Parties' plans for implementing the 2006-2008 Program in each Utility's service territory, submitted to the Commission as part of each Utility's Compliance Filing for 2006-2008 energy efficiency programs, and attached hereto and incorporated herein for each Utility as follows: Exhibit A-1 for SCG and Exhibit A-2 for SCE.
- 1.14. Contractor: An entity contracting directly or indirectly with a Party to furnish services or materials as part of or directly related to such Party's Authorized Work obligations.
- 1.15. Cost Categories: Items defined by the Commission's Reporting Requirements Manual.
- 1.16. Cost Share: Each Utility's share of LAC's Program Expenditures based on such Utility's contribution to LAC's aggregate Authorized Budget as set forth in the definition of "Authorized Budget" and provided that such Program Expenditure is to be borne by all Utilities. Each Utility's Cost Share shall be, as of the Effective Date, 24.85% for SCG (i.e. \$1,275,000 divided by \$5,130,400, times 100%), 75.15% for SCE (i.e. \$3,855,400 divided by \$5,130,400, times 100%), provided, however, in the event such Program Expenditure is made for the benefit of only one Utility or its service territory, than such Program Expenditure shall be borne entirely by that Utility.
- 1.17. Eligible Customers or Customers: Customers eligible for 2006-2008 Program services are all LAC departments and facilities located in SCE's electricity service territory or SCG gas service territory subject to the limitations described in Section 5 hereof.
- 1.18. Energy Efficiency Measure (or Measure): As used in the latest version of the Commission's Energy Efficiency Policy Manual, currently Version 3, August 2005.
- 1.19. EM&V: Evaluation, Measurement and Verification of the 2006-2008 Program pursuant to Commission requirements.
- 1.20. Gas Surcharge: The funds collected from gas utility ratepayers pursuant to Section 890 et al. of the California Public Utilities Code for public purposes programs, including energy efficiency programs approved by the Commission.

- 1.21. Management Team: A team comprised of a representative of each Party, which shall have the authority vested to it herein, and which shall perform the duties specified herein.
- 1.22. Program Expenditures: Actual (i.e., no mark-up for profit, administrative or other indirect costs), reasonable expenditures that are directly identifiable to and required for the Authorized Work, up to the amounts budgeted in the Concept Papers' budget worksheets for such Authorized Work.
- 1.23. Program Funds: The monies which fund the 2006-2008 Program including PGC and/or Gas Surcharge and/or other approved funding sources (e.g., authorized procurement funds).
- 1.24. Project Agreement: The form agreement attached hereto as Exhibit C-1 which the Parties shall execute for any Approved Project in connection with the obligations referenced in this Agreement.
- 1.25. Project Package: The documents attached hereto as Exhibit C which LAC shall submit for each proposed audit and retrofit project or RCx Project, including without limitation, a sample Project Invoice.
- 1.26. Project Team: A team comprised of a representative of each Party, which shall have the authority vested to it herein, and which shall perform the duties specified herein.
- 1.27. Public Goods Charge (PGC): The funds collected from electric utility ratepayers pursuant to Section 381 of the California Public Utilities Code for public purposes programs, including energy efficiency programs approved by the Commission.
- 1.28. RCx Project: The 2006-2008 Program element consisting of: (a) installation of energy system monitoring equipment in designated facility buildings, at the building system and/or building subsystem level, in order to identify energy efficiency savings opportunities and (b) implementing the Energy Efficiency Measures/actions needed to achieve those savings.

2. PURPOSE

The 2006-2008 Program is funded by California utility ratepayers, and is administered by the Utilities under the auspices of the Commission. The purpose of this Agreement is to set forth the terms and conditions under which the Parties will jointly implement the 2006-2008 Program. The work authorized pursuant to this Agreement is not to be performed for profit.

Notwithstanding the use of the word "partnership" or "partner" in this Agreement, this Agreement is not intended to and does not form any "partnership" within the meaning of the California Uniform Partnership Act of 1994 or otherwise.

3. PROGRAM DESCRIPTION

The 2006-2008 Program will build on the lessons learned from the 2004-2005 program. The 2006-2008 Program will focus mainly on retro-commissioning activities in LAC facilities, as well as, continuing the Public Housing Metering element and applying recommendations from the Study of Public Agency Participation in Energy Efficiency Programs, and will explore opportunities to expand the retrofit and retro-commissioning activities in other LAC facilities and affiliated agencies located in the Utilities' service territories. These agencies may include the Los Angeles LAC Office of Education (LACOE), the Los Angeles Unified School District (LAUSD), and the Los Angeles LAC Metropolitan Transportation Authority (LACMTA). The implementation of projects into these other agency facilities will be contingent on the Commission's approval and the availability of additional program funding during the 2006 - 2008 program cycle.

4. AUTHORIZED WORK

- 4.1. Scope. The work authorized by the Commission for the 2006-2008 Program ("Authorized Work") is set forth in Concept Papers for each respective Utility service territory, and shall be performed by the Parties pursuant to the terms of this Agreement.
- 4.2. Objectives. The 2006-2008 Program shall meet the objectives and goals set forth in the Concept Papers.

5. LIMITATION ON APPLICABLE SERVICE TERRITORIES

The Parties agree that Authorized Work shall only be performed in SCE and/or SCG service territories, provided however, that, without limitation, no Authorized Work shall be performed for any customers that receive electricity or gas service from a municipal utility corporation or other electricity or gas service provider or that do not directly receive electricity service from SCE or gas service from SCG. In the event that a Customer receives gas service from SCG, but not electricity service from SCE, then only Gas Surcharge Funds may be used for the Authorized Work, and the Authorized Work may only encompass activity relating to therm savings. In the event that a Customer receives electricity service from SCE, but not gas service from SCG, then only PGC Funds may be used for the Authorized Work, and the Authorized Work may only encompass activity relating to electricity savings.

6. OBLIGATIONS OF THE PARTIES

- 6.1. Generally. Each Party shall perform its Authorized Work obligations in conformance with the deliverables, schedules and budgets associated with such Authorized Work as set forth in this Agreement and the respective Concept Paper of each Utility, and shall furnish the required labor, equipment and material with the degree of skill and care that is required by current professional standards.
- 6.2. Obligations of LAC.
 - 6.2.1. LAC shall obtain the approval of each Utility when developing 2006-2008 Program marketing materials prior to any distribution, publication, circulation or dissemination in anyway to the public.

6.2.2. LAC shall appoint a representative to the Project Team and the Management Team, who communicate regularly with the program representatives of each Utility, and shall advise each Utility immediately of any problems or delays associated with its Authorized Work obligations.

6.2.3. LAC shall be responsible for complying with this Agreement in its entirety.

6.3. Obligations of SCE.

6.3.1. SCE will be actively involved in all aspects of the 2006-2008 Program. SCE will use its reasonable efforts to add value to the 2006-2008 Program by (a) dedicating human resources necessary to implement the 2006-2008 Program successfully, (b) providing in-kind services support for the 2006-2008 Program's marketing and outreach activities, and (c) working to enhance communications with LAC to address consumer needs and provide utility information and services.

6.3.2. SCE shall provide, at no cost to the 2006-2008 Program, informational and educational materials on SCE's statewide and local energy efficiency programs to LAC.

6.3.3. SCE shall appoint a representative to the Project Team and the Management Team, who shall communicate regularly with the program representatives for LAC and SCG for the 2006-2008 Program.

6.4. Obligations of SCG.

6.4.1. SCG will be actively involved in all aspects of the 2006-2008 Program. SCG will use its reasonable efforts to add value to the 2006-2008 Program by (a) dedicating human resources necessary to implement the 2006-2008 Program successfully, (b) providing in-kind services support for the 2006-2008 Program's marketing and outreach activities, and (c) working to enhance communications with LAC communities to address consumer needs and provide utility information and services.

6.4.2. SCG shall provide, at no cost to the 2006-2008 Program, informational and educational materials on SCG's statewide and local energy efficiency programs to LAC.

6.4.3. SCG shall appoint a representative to the Project Team and the Management Team, who shall communicate regularly with the program representatives for LAC and SCE for the 2006-2008 Program.

6.5. Procedures for Engaging in Authorized Work.

6.5.1. Energy Efficiency Audits and Retrofits.

- a. LAC shall identify potential audit and retrofit projects at LAC facility(ies) through a project solicitation of its facilities. Each potential audit and retrofit project shall submit a Project Package to the Project Team, effectively creating a pool of potential audit and retrofit projects with validated energy efficiency measures, calculation methodology and projected energy savings, or information otherwise necessary or requested by the Parties.
- b. Upon receiving all necessary or requested information from LAC, the Project Team shall submit the requested audit and retrofit project to the Management Team for review, and the Management Team shall review the proposed audit and retrofit projects with regard to overall project feasibility, schedule, costs, and projected energy savings. The Management Team must reach a unanimous decision on whether to approve or reject each proposed audit and retrofit project, provided however, that should only one Utility provide service to the proposed project facility, that Utility may over-rule any Management Team decision on whether to approve or reject the project. The Management Team shall set the Authorized Project Budget for each Approved Audit/Retrofit Project.
- c. For each Approved Audit/Retrofit Project, LAC shall be responsible for conducting a bid process for the selection of a qualified Contractor to perform the Approved Audit/Retrofit Project. LAC shall enter into an agreement with the Contractor to perform the Approved Audit/Retrofit Project in the facilities designated by LAC.
- d. LAC shall be responsible for overseeing the Contractor's work at the Approved Audit/Retrofit Project to ensure that it conforms to the requirements of the Authorized Work as agreed upon in the Project Agreement. LAC shall invoice SCE for the completed projects and shall provide appropriate documentation as set forth herein.

6.5.2. Retro- Commissioning ("RCx").

- a. LAC shall identify proposed RCx Projects at its facilities and provide the Project Team with a completed Project Package, which shall include without limitation documentation regarding feasibility, schedule, projected costs and projected energy savings.
- b. Upon receiving all necessary or requested information from LAC, the Project Team shall submit the requested RCx Project to the Management team for review, and the Management Team shall review the RCx Projects with regard to overall

project feasibility, schedule, costs, and projected energy savings. The Management Team must reach a unanimous decision on whether to approve or reject each RCx Project, provided however, that if only one Utility provides service to the proposed facility requesting the RCx Project, such Utility may unilaterally overrule any Management Team decision. The Management Team shall set the Authorized Project Budget for each Approved RCx Project.

- c. SCE, in consultation with the Management Team, shall conduct a public competitive selection process to select one or more qualified Commissioning Agents to perform or assist in the completion of the Approved RCx Project. The Management Team shall unanimously approve each and any Contractor's scope of work for any Approved RCx Project(s) authorized or undertaken under this Agreement. Upon selection of a Contractor or Commissioning Agent, SCE shall enter into a formal agreement with such Contractor or Commissioning Agent for the Approved RCx Project.
- d. If upon the unanimous consent of the Management Team it is deemed necessary for either -SCG or LAC to conduct a bid process for (i) the purchase of equipment/software, (ii) the hiring of any Contractor(s) or Commissioning Agent(s), needed for the Approved RCx Projects, or (iii) any other work or materials authorized herein, the Management Team shall select that Party, who shall conduct such bid process, with the advice and consent of the other Parties, provided however, that the selection of any such the equipment/software and Contractor(s) or Commissioning Agent(s) shall be subject to the unanimous approval of the Management Team.
- e. The Contractor or Commissioning Agents, as the case may be and within each Approved RCx Project's Authorized Budget, shall:
 - (i) perform the RCx activities, consistent with industry best practices and/or with proposed partnership RCx guidelines to identify energy savings opportunities in the buildings of the Approved RCx Projects;
 - (ii) monitor energy usage in the buildings of the Approved RCx Projects;
 - (iii) prepare a report of the actions and/or Energy Efficiency Measures that can be taken or implemented to reduce energy usage;
 - (iv) implement Energy Efficiency Measures and take actions sufficient to achieve the savings set forth in the RCx list of findings;
 - (v) identify additional retrofit or other projects that could be undertaken to achieve additional savings; and
 - (vi) provide the Utilities with information as needed for the reports required in Section 9 below, by the Commission, for other Commission purposes or at the request of the Utilities.

6.5.3. Energy Efficiency Education and Training.

- a. The Parties shall develop and implement a Training and Education (“T&E”) program for LAC that offers energy efficiency training in the following areas: retrofits and commissioning/retro-commissioning to its facility staff.
 - b. If, upon the unanimous consent of the Management Team it is deemed necessary to select one or more of the Utilities to engage one or more Contractors to assist in development and delivery of the T&E program, then the Management Team shall unanimously select that Utility or those Utilities to engage an Approved Contractor.
 - c. The Parties shall develop and share case studies of best practice operating methods and technologies applicable to the LAC facilities.
- 6.6. EM&V Plan. Once the Commission has approved and issued an EM&V plan for the 2006-2008 Program, such EM&V plan shall be attached to this Agreement as Exhibit B and shall be incorporated herein by this reference. Any subsequent changes or modifications to such EM&V plan by the Commission shall be automatically incorporated into Exhibit B.

7. ADMINISTRATION OF PROGRAM

7.1. Decision-making and Approval.

7.1.1. Unless otherwise specified in this Agreement, the following actions and tasks require approval of the affected Parties:

- a. Any action that materially deviates from a Concept Paper.
- b. Any action that materially impacts a Concept Paper’s schedule.
- c. Any action that materially impacts the 2006-2008 Program’s budgets described in the Concept Papers.
- d. Selection of any Contractor not previously approved by the Parties.

7.1.2. Unless otherwise specified in this Agreement, the Parties shall document all material 2006-2008 Program decisions, including, without limitation, all actions specified in Section 7.1.1 above, in meeting minutes or if taken outside a meeting, through written communication, which shall be maintained in hard copy form on file by the Parties for a period of no less than ten (10) years after the expiration or termination of this Agreement.

7.2. Lead Utility. The Utilities hereto authorize and appoint SCE to be the primary administrator of the 2006-2008 Program (“Lead Utility”). The Lead Utility shall be responsible for:

- 7.2.1. Monitoring the overall progress of the Authorized Work, to ensure that the 2006-2008 Program remains on target (including achieving the 2006-2008 Program’s energy savings and demand reduction goals) and on schedule, and meets all reporting and other filing requirements;

- 7.2.2. Administrating Program Funds for the 2006-2008 Program, and shall reimburse LAC for Program Expenditures authorized in accordance with LAC's Authorized Budget and Section 10 below;
- 7.2.3. Coordinating the preparation of all 2006-2008 Program-related documents, including all required reporting pursuant to Section 9, and any such other reporting duties as may be required, provided however, that each Party shall be solely responsible for complying with any Commission reporting requirements in their entirety;
- 7.2.4. Coordinating the Parties' 2006-2008 Program activities to ensure that the 2006-2008 Program remains on target and on schedule, and meets all reporting and other filing requirements;
- 7.2.5. Coordinating with other existing or selected programs that the Utilities offer, including programs targeting low-income customers, to enhance consistency in rebates and other 2006-2008 Program details, minimize duplicative administrative costs, and enhance the possibility that programs can be marketed together to avoid duplicative marketing expenditures; and
- 7.2.6. As applicable, coordinating with the Parties, the Project Team, the Management Team or other Party representatives to facilitate 2006-2008 Program implementation.

Notwithstanding the above, the Lead Utility shall not be responsible for the performance or non-performance hereunder of any other Party, nor shall the Lead Utility be obligated to remedy any other Party's defaults or defective performance.

- 7.3. Regular Meetings. The Parties, the Management Team and the Project Teams shall meet on a regular basis during the term of this Agreement, but no less than quarterly, at a location reasonably agreed upon by the Parties, to review the status of the 2006-2008 Program's deliverables, schedules and the budgets, and plan for upcoming 2006-2008 Program implementation activities. Any decision-making shall be reached and documented in accordance with the requirements of Section 7.1.2 above.
 - 7.4. Regular Communication. The Parties agree to communicate regularly with the other Parties and to advise the other Parties of any problems associated with successful implementation of the 2006-2008 Program.
 - 7.5. Limitation on Responsibility. Notwithstanding the foregoing, a Party shall not be responsible for the performance or non-performance hereunder of any other Party, nor be obligated to remedy any other Party's defaults or defective performance.
8. DOUBLE DIPPING PROHIBITED.

- 8.1. No Party shall knowingly provide an incentive to a Customer, or make payment to a Contractor who is receiving compensation for the same product or service either through another ratepayer-funded program, or through any other ratepayer-provided funding source.
- 8.2. The Parties shall take reasonable steps to minimize or avoid the provision of incentives or services for the same measures provided under this 2006-2008 Program from another program or other funding source (“double-dipping”).
- 8.3. LAC represents and warrants that it has not received ratepayer-provided incentives or services for the measures provided for under this Agreement or the 2006-2008 Program from another utility, state or local program.
- 8.4. LAC shall not apply for or take incentives or services for the measures provided for under this Agreement or the 2006-2008 Program from another utility, state or local program.
- 8.5. LAC agrees that the 2006-2008 Program shall receive 100% of the related energy benefits specified in the Concept Papers for the life or each measure provided for under the 2006-2008 Program.
- 8.6. No Utility shall knowingly provide an incentive or service for a measure to LAC or any of its facilities that is receiving incentives or services for the same measure through another PGC or Gas Surcharge funded program or any other ratepayer provided funding source.

9. REPORTING

The Parties shall implement those reporting requirements set forth in Exhibit D attached hereto and incorporated herein by this reference, as the same may be amended from time to time, or until the Commission otherwise requires or issues different or updated reporting requirements for the 2006-2008 Program, in which case and at which time such Commission-approved reporting requirements shall replace the requirements set forth in Exhibit D in their entirety.

10. PAYMENTS

- 10.1. Authorized Budget. The Authorized Budget for performance of the Authorized Work is provided in each Concept Paper. No Party shall be entitled to compensation in excess of the total amounts approved in the Concept Papers’ budget worksheets, or as increased or amended with additional funding, for such Party’s Authorized Work obligations. However, if the Parties agree to and execute any fund shift in accordance with Section 10.7 below, then each Party shall be entitled to compensation up to, but not exceeding, the total amounts in the amended Concept Papers’ budget worksheets, as revised to reflect such fund shift, for such Party’s Authorized Work obligations.
- 10.2. Program Expenditures. Each Party shall be entitled to spend PGC or Gas Surcharge Program Funds on Program Expenditures incurred by such Party.

10.3. Payment to LAC. In order for LAC to be entitled to PGC and/or Gas Surchage funds for Program Expenditures:

10.3.1. LAC shall prepare and submit monthly reports to the Lead Utility, in a format acceptable to the Utilities and containing such information as may be required for the reporting requirements set forth in Section 9 above (“Monthly Program Reports”), by the fifth (5th) Calendar Day following calendar month of performance, setting forth all Program Expenditures for Approved RCx Projects, Approved Audit/Retrofit Projects, and all such other costs under this Agreement.

10.3.2. LAC shall submit to the Lead Utility, as applicable, a monthly invoice, in the form described in Section 10.4.1, together with its Monthly Program Report, attaching all documentation reasonably necessary to substantiate the Program Expenditures, which shall include, without limitation, the following:

- (i) Labor: For each of the 2006-2008 Program’s budget categories (Management, Retrofit, RCx, T&E, and EM&V), a list of individuals and total hours worked and labor rate(s) for each person during the month, shall be provided in accordance with the provisions of Exhibit D.
- (ii) Overhead items other than travel/training/conferences: Supporting documentation for overhead items such as rent, computer equipment, facility charges, is required and shall be provided in accordance with the provisions of Exhibit D.
- (iii) Travel/Training/Conference: Supporting documentation for all travel-related expenditures. While original receipts need not be submitted, a detailed expense report for all travel expenses should be provided, in the format approved by the Lead Utility, which includes airfare, mileage, meals, lodging, parking, etc. A detailed travel expense report should include the following information: name of person incurring expense, reason for expense, date(s) incurred and type of expense (e.g. Airfare, Airport Parking, Rental Car, Other Parking, Mileage, Meals, Hotel, Other costs, if any).
- (iv) Allowable Costs: Only those costs as listed in the Allowable Cost Table shown in Section 7 of Exhibit D may be submitted for payment. All invoices submitted to the Lead Utility must report all costs using the allowable cost elements shown on the Allowable Cost Table.
- (v) Contractor Costs: Copies of all Contractor invoices. If only a portion of the Contractor costs applies to the 2006-2008 Program, clearly indicate the line items and/or percentage of the invoice amount that

should be applied to the 2006-2008 Program and shall be provided in accordance with the provisions of Exhibit D.

- (vi) Marketing/Outreach: A copy of each distinct marketing/outreach material produced with quantity of a given outreach material produced and the method of distribution.

Each Party understands and acknowledges that each invoice submitted by a LAC for the 2006-2008 Program and the Monthly Program Report(s) shall be submitted to the Lead Utility. In the event, that a LAC erroneously submits an invoice or Monthly Program Report to any other Utility instead of the Lead Utility as required by this Section 10.3.2, that Utility shall promptly forward such invoice or Monthly Program Report to the Lead Utility.

10.3.3. Upon receipt of any LAC invoice and Monthly Program Report (and all required or requested documentation substantiating such invoice), the Lead Utility shall promptly submit a copy thereof to SCG for review and approval. SCG shall have ten (10) Business Days from the date of its receipt of said invoice to notify the Lead Utility in writing if it objects to all or any part of an invoice or Monthly Program Report. If SCG does not respond within such 10 day Business Day period, then it shall be deemed to have accepted the invoice and Monthly Program Report. If the Utilities have approved an LAC invoice and Monthly Program Report, then the Lead Utility shall invoice SCG for the approved respective Program Expenditures set forth in the approved invoice for only that amount which constitutes SCG's Cost Share thereof. SCG shall remit payment to the Lead Utility for the amount of its Cost Share of such approved invoice.

10.4. Payment of Authorized Project Budgets.

10.4.1. Approved Project Invoices. To be entitled to PGC and/or Gas Surcharge Funds for Program Expenditures related to or for Approved Projects, LAC shall, at the completion and verification of each project installation, prepare and submit an invoice to the Lead Utility, using the Project Invoice format contained in the Project Package, which is attached hereto as Exhibit C, and which shall include all documentation reasonably necessary to substantiate the invoice, including all such costs as set forth in Section 7 of Exhibit D, Section 10.3, and without limitation, the following:

- (i) Customer name, address and telephone number;
- (ii) Service Account number associated with the location that received program incentives;
- (iii) The type, quantity and cost of each measure installed or received;

- (iv) The date each payment was provided and/or each measure was installed or received; and
- (v) Copies of all Contractor, Commissioning Agent and/or subcontractor invoices. If only a portion of the subcontractor costs applies to the 2006-2008 Program, clearly indicate the line items and/or percentage of the invoice amount that should be applied to the 2006-2008 Program.

10.4.2. Payment of Invoice. Upon receipt of any invoice and the respective Monthly Program Report (including all required and/or requested documentation substantiating the invoice), the Lead Utility will review the invoice and all attachments. The Lead Utility shall have thirty (30) Calendar Days from the date of its receipt of said invoice to notify LAC in writing if there are any objections to all or any part of an invoice. The Lead Utility shall pay all undisputed amounts within thirty (30) days of receiving the Monthly Program Report and corresponding invoice.

10.4.3. Rejection of Invoice. Each Utility reserves the right to reject any invoiced amount for any of the following reasons:

- (i) The invoiced amount, when aggregated with previous Program Expenditures or previous payments to LAC for the Approved Project, exceeds the amount budgeted therefor in the Authorized Project Budget, the Authorized Budget, or any invoiced amounts, in whole or in part, are in excess of the amounts approved pursuant to the Project Agreement Form, the Authorized Project Budget or such other amounts provided for in this Agreement.
- (ii) There is a reasonable basis for concluding that such invoiced amount(s) is/are unreasonable or not directly identifiable to or required for the Approved Project or Authorized Work, the Concept Paper or the 2006-2008 Program.
- (iii) The invoiced amount, in whole or in part, in the Utility(ies)' sole discretion, contains charges for any item not authorized under this Agreement, by the Utility(ies) or by the Commission, or is deemed untimely, unsubstantiated or lacking proper documentation.

Each Utility shall review each submitted invoice, and either approve or reject for payment within thirty (30) Calendar Days of receiving of the invoice.

10.4.4. Dispute of Invoice. Each Utility may dispute any Program Expenditure that it has received an invoice for by submitting to LAC a written explanation of the dispute within thirty (30) Calendar Days of the date that the Utility received the invoice. Thereafter, such Utility shall determine the additional performance required from

LAC, modification required to LAC's invoice, or such other action as may be required of LAC, which the Utility shall then request from LAC. Disputed or rejected amounts will be resolved pursuant to Section 15.

- 10.5. Maintenance of Documentation. LAC shall maintain for a period of not less than ten (10) years all documentation reasonably necessary to substantiate the Program Expenditures, including, without limitation, the documentation set forth in this Section 10, provided however, that LAC shall promptly provide, upon the reasonable request by the Lead Utility, any documentation, records or information requested in connection with the 2006-2008 Program, an Approved Project or the Authorized Work.
- 10.6. Reconciliation of Program Expenditures. If this Agreement is terminated pursuant to Section 25, then LAC shall reconcile any Program Expenditures incurred or accrued pursuant to contractual or other legal obligations for each Approved Retrofit Project or Approved RCx Project as of the effective date of termination against any remaining Program Funds for such Project, and shall promptly return any unspent Program Funds to each Utility, as appropriate.
- 10.7. Shifting Funds Across Budget Categories. Each Utility may shift Program Funds among budget categories (Administrative, Marketing & Outreach, and Direct Implementation) as set forth in its respective Concept Paper to the maximum extent permitted under, and in accordance with, Commission decisions and rulings to which the 2006-2008 Program relates; provided, however, that any such fund-shifting shall not become effective unless and until notification of such fund-shift is provided to the Lead Utility.
- 10.8. Reasonableness of Expenditures. Each Party shall bear the burden of ensuring that its Program Expenditures are objectively reasonable. The Commission has the authority to review all Program Expenditures for reasonableness. Should the Commission, at any time, issue a finding of unreasonableness as to any Program Expenditure, and require a refund or return of the PGC or Gas Surcharge funds paid in the reimbursement of such Program Expenditure, the Party who incurred such Program Expenditure and received reimbursement under this Agreement shall be solely and severally liable for such refund or return.
- 10.9. Refund of Program Funds. With respect to any amount subject to refund to the Commission pursuant to any subsequent Commission decision or ruling, should the Commission determine that a refund is due and seeks to recover such refund, the amount due shall be returned as directed by the Commission, within 30 days of receipt of written notice that payment is owed, as follows: (1) if the refund is attributable to an overpayment of Program Funds to a Party, then that Party shall be solely liable for such refund; (2) if the refund is attributable to an unreasonable expenditure, then the Party who (i) incurred such Program Expenditure and received reimbursement therefore under this Agreement, or (ii) was otherwise entitled to

receive reimbursement under this Agreement but did not actually receive reimbursement due to receipt of an equivalent offset, shall be solely liable for such refund; (3) for any other refund, each Party shall be solely liable for its pro-rata share, determined by calculating the percentage of the total overall Program Expenditures represented by each Party's reimbursements of Program Expenditures (both actual reimbursements and those to which the Party was otherwise entitled but did not receive due to receipt of an equivalent offset). Nothing in this provision is intended to limit a Party's right to pursue administrative or other remedies available with respect to a Commission decision or ruling. A Party's approval of any action which is the responsibility of another Party under this Agreement shall not shift the corresponding responsibility with respect to any overpayment or unreasonable Program Expenditure. Notwithstanding the foregoing, any overpayment of Program Funds to a Party (the "Receiving Party") shall be immediately due and payable by the Receiving Party, upon demand therefor, to the Party who made the overpayment, and the Party who made the overpayment shall have the right to set the overpayment off from any other Program Funds payable to the Receiving Party, if possible, or otherwise pursue any available remedies for the recovery of the overpayment.

11. END DATE FOR PROGRAM AND ADMINISTRATIVE ACTIVITIES.

Unless this Agreement is terminated pursuant to Section 25 below, the Parties shall complete all 2006-2008 Program administrative activities (as defined by Concept Papers' workbooks and reporting requirements) by no later than June 30, 2009, including submission of the Final Report(s), unless otherwise agreed to by the Parties or so ordered by the Commission, provided, however that all Direct Implementation and Marketing & Outreach activities (as defined in the Concept Papers) must be completed no later than December 31, 2008.

12. FINAL INVOICES

All Parties must submit final invoices no later than August 31, 2009.

13. INDEMNITY

13.1. Indemnities by LAC. LAC shall indemnify, defend and hold harmless each other Party, and their respective successors, assigns, affiliates, subsidiaries, parent companies, officers, directors, agents, and employees, from and against any and all expenses, claims, losses, damages, liabilities or actions in respect thereof (including reasonable attorneys' fees and reasonably allocated cost of in-house counsel) to the extent arising from LAC's negligence or willful misconduct in LAC's performance of its obligations hereunder or arising from LAC's breach of this Agreement.

13.2. Indemnity by the Utilities. Each Utility shall indemnify, defend and hold harmless each other Party, and their respective successors, assigns, affiliates, subsidiaries, parent companies, officers, directors, agents, and employees, from and against any and all expenses, claims, losses, damages, liabilities or actions in respect thereof (including reasonable attorneys' fees and reasonably allocated cost of in-house counsel) to the extent arising from such Utility's negligence or willful misconduct in

such Utility's performance of its obligations hereunder or arising from such Utility's breach of this Agreement.

- 13.3. LIMITATION OF LIABILITY. NO PARTY SHALL BE LIABLE TO ANY OTHER PARTY FOR ANY SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES WHATSOEVER WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE) OR STRICT LIABILITY INCLUDING, BUT NOT LIMITED TO, LOSS OF USE OF OR UNDER-UTILIZATION OF LABOR OR FACILITIES, LOSS OF REVENUE OR ANTICIPATED PROFITS, COST OF REPLACEMENT POWER OR CLAIMS FROM CUSTOMERS, RESULTING FROM A PARTY'S PERFORMANCE OR NONPERFORMANCE OF THE OBLIGATIONS HEREUNDER, OR IN THE EVENT OF SUSPENSION OF THE AUTHORIZED WORK OR TERMINATION OF THIS AGREEMENT.

14. OWNERSHIP OF DEVELOPMENTS

The Parties acknowledge and agree that the Utilities, on behalf of their respective customers, shall own all data, reports, information, manuals, computer programs, works of authorship, designs or improvements of equipment, tools or processes (collectively "Developments") or other written, recorded, photographic or visual materials, or other deliverables produced in the performance of this Agreement; provided, however, that Developments do not include equipment or infrastructure purchased for research, development, education or demonstration related to energy efficiency. Although LAC shall retain no ownership, interest or title in the Developments except as may otherwise be provided in the Concept Papers, they will have a permanent, royalty free, non-exclusive license to use such Developments.

15. DISPUTE RESOLUTION

- 15.1. Dispute Resolution. Except as may otherwise be set forth expressly herein, all disputes arising under this Agreement shall be resolved as set forth in this Section 15.
- 15.2. Negotiation and Mediation. The Parties shall attempt in good faith to resolve any dispute arising out of or relating to this Agreement promptly by negotiations between the Parties' authorized representatives. The disputing Party shall give the other Parties written notice of any dispute. Within twenty (20) days after delivery of such notice, the authorized representatives shall meet at a mutually acceptable time and place, and thereafter as often as they reasonably deem necessary to exchange information and to attempt to resolve the dispute. If the matter has not been resolved within thirty (30) days of the first meeting, any Party may initiate a mediation of the dispute. The mediation shall be facilitated by a mediator that is acceptable to all Parties and shall conclude within sixty (60) days of its commencement, unless the Parties agree to extend the mediation process beyond such deadline. Upon agreeing on a mediator, the Parties shall enter into a written agreement for the mediation services with each Party paying a pro rate share of the mediator's fee, if any. The mediation shall be conducted in accordance with the Commercial Mediation Rules of the American Arbitration Association; provided, however, that no consequential

damages shall be awarded in any such proceeding and each Party shall bear its own legal fees and expenses.

- 15.3. Confidentiality. All negotiations and any mediation conducted pursuant to Section 15.2 above shall be confidential and shall be treated as compromise and settlement negotiations, to which Section 1152 of the California Evidence Code shall apply, which Section is incorporated in this Agreement by reference.
- 15.4. Injunctive Relief. Notwithstanding the foregoing provisions, a Party may seek a preliminary injunction or other provisional judicial remedy if in its judgment such action is necessary to avoid irreparable damage or to preserve the status quo.
- 15.5. Continuing Obligation. Each Party shall continue to perform its obligations under this Agreement pending final resolution of any dispute arising out of or relating to this Agreement.
- 15.6. Failure of Mediation. If, after good faith efforts to mediate a dispute under the terms of this Agreement as provided in Section 15.2 above, the Parties cannot agree to a resolution of the dispute, any Party may pursue whatever legal remedies may be available to it at law or in equity, before a court of competent jurisdiction and with venue as provided in Section 35.

16. REPRESENTATIONS AND WARRANTIES

Each Party represents and warrants, individually and not jointly, that:

- 16.1. The Authorized Work performed by such Party and its Contractors shall comply with the applicable requirements of all statutes, acts, ordinances, regulations, codes, and standards of federal, state, local and foreign governments, and all agencies thereof.
- 16.2. The Authorized Work performed by such Party and its Contractors shall be free of any claim of trade secret, trade mark, trade name, copyright, or patent infringement or other violations of any proprietary rights of any person.
- 16.3. Such Party shall conform to the applicable employment practices requirements of (Presidential) Executive Order 11246 of September 24, 1965, as amended, and applicable regulations promulgated thereunder.
- 16.4. Such Party shall contractually require each Contractor it hires to perform the Authorized Work to indemnify each other Party to the same extent such Party has indemnified each other Party under the terms and conditions of this Agreement.
- 16.5. Such Party shall retain, and shall cause its Contractors to retain, all records and documents pertaining to its Authorized Work obligations for a period of not less than ten (10) years beyond the termination or expiration of this Agreement.

- 16.6. Such Party shall contractually require all of its Contractors to provide the other Parties reasonable access to relevant records and staff of Contractors concerning the Authorized Work.
- 16.7. Such Party will take all reasonable measures, and shall require its Contractors to take all reasonable measures, to ensure that the Program Funds in its possession are used solely for Authorized Work, which measures shall include the highest degree of care that such Party uses to control its own funds, but in no event less than a reasonable degree of care.
- 16.8. Such Party will maintain, and may require its Contractors to maintain, the following insurance coverage or self insurance coverage, at all times during the Term of this Agreement:
 - a. Workers' Compensation and Employers' Liability: statutory minimum.
 - b. Commercial General Liability: \$1 million minimum.
 - c. Business Auto (if applicable): \$1 million minimum.
 - d. Professional Liability (if applicable): \$1 million minimum.

17. PROOF OF INSURANCE

- 17.1. Evidence of Insurance. Upon request at any time during the term of this Agreement, LAC shall provide evidence that its insurance policies are in full force and effect, and provide the coverage and limits of insurance that LAC has represented and warranted herein to maintain at all times during the Term of this Agreement.
- 17.2. Self-Insurance. If LAC is self-insured, LAC shall upon request forward documentation to the other Parties that demonstrates to each other Party's satisfaction that LAC self-insures as a matter of normal business practice before commencing the Authorized Work. Each Party will accept reasonable proof of self-insurance comparable to the above requirements.

18. CUSTOMER CONFIDENTIALITY REQUIREMENTS

Each Party agrees, individually and not jointly, that:

- 18.1. Non-Disclosure. Each Party, its employees, agents and Contractors shall not disclose any Confidential Customer Information (defined below) to any third party during the Term of this Agreement or after its completion, without such Party having obtained the prior written consent of the respective Utility, except as provided by law, lawful court order or subpoena and provided such Party gives the Utility advance written notice of such order or subpoena.
- 18.2. Confidential Customer Information. "Confidential Customer Information" includes, but is not limited to, a Utility customer's name, address, telephone number, account number and all billing and usage information, as well as any Utility customer's information that is marked confidential (except that a Utility seeking to disclose such information of its own customer shall not be deemed to be disclosing Confidential

Customer Information for purposes of this Section 18). If a Party is uncertain whether any information should be considered Confidential Customer Information, such Party shall contact the Utility prior to disclosing any of the customer information.

- 18.3. Non-Disclosure Agreement. Prior to any approved disclosure of Confidential Customer Information, a Utility may require the disclosing Party to enter into a nondisclosure agreement.
- 18.4. Commission Proceedings. This provision does not prohibit a Party from disclosing non-confidential information concerning the Authorized Work to the Commission in any Commission proceeding, or any Commission-sanctioned meeting or proceeding or other public forum.
- 18.5. Return of Confidential Information. Confidential Customer Information materials provided to a Party by another Party during the performance of this Agreement shall be returned upon written request to the original owner of the documents.
- 18.6. Remedies. The Parties acknowledge that Confidential Customer Information is valuable and unique, and that damages would be an inadequate remedy for breach of this Section 18 and the obligations of the Parties are specifically enforceable. Accordingly, the Parties agree that in the event of a breach or threatened breach of this Section 18 by any Party, the Party whose Confidential Customer Information is implicated in such breach shall be entitled to seek and obtain an injunction preventing such breach, without the necessity of proving damages or posting any bond. Any such relief shall be in addition to, and not in lieu of, money damages or any other available legal or equitable remedy.

19. TIME IS OF THE ESSENCE

The Parties hereby acknowledge that time is of the essence in performing their obligations under the Agreement. Failure to comply with deadlines stated in this Agreement may result in termination of this Agreement, payments being withheld or other 2006-2008 Program modifications as directed by the Commission.

20. CUSTOMER COMPLAINT RESOLUTION PROCESS

The Parties shall develop and implement a process for the management and resolution of Customer complaints in an expedited manner including, but not limited to: (a) ensuring adequate levels of professional Customer service staff; (b) direct access of Customer complaints to supervisory and/or management personnel; (c) documenting each Customer complaint upon receipt; and (d) directing any complaint that is not resolved within five (5) days of receipt to the Utility that serves the Customer.

21. RESTRICTIONS ON MARKETING

- 21.1. Program Materials. LAC shall obtain the approval of each Utility when developing Program marketing materials prior to any distribution, publication, circulation or dissemination in anyway to the public. In addition, all advertising,

marketing or otherwise printed or reproduced material used to implement, refer to or is in anyway related to the 2006-2008 Program must contain the respective logo of each Utility and the following language: "This [program] is funded by California utility ratepayers and administered by Southern California Gas Company and Southern California Edison, under the auspices of the California Public Utilities Commission."

- 21.2. Use of Commission's Name. No Party may use the name of the Commission on marketing materials for the 2006-2008 Program without prior written approval from the Commission staff. In order to obtain this written approval, the Lead Utility must send a copy of the planned materials to the Commission requesting approval to use the Commission name and/or logo. Notwithstanding the foregoing, the Parties may disclose their source of funding for the 2006-2008 Program by using the language described in Section 21.1 on advertising, marketing or otherwise printed or reproduced material used to implement, refer to or is in any way related to the 2006-2008 Program.
- 21.3. Use of Utilities' Names. LAC must receive prior review and written approval from a Utility for the use of such Utility's name or logo on any marketing or other 2006-2008 Program materials. LAC shall allow five (5) Business Days for such Utility review and approval.
- 21.4. Use of a LAC's Name. Utilities must receive prior written approval from LAC for use of LAC 's name or logo on any marketing or other 2006-2008 Program materials. The Utilities shall allow five (5) Business Days for LAC review and approval.

22. RIGHT TO AUDIT

The Parties agree that the Parties, and/or the Commission, or their respective designated representatives, shall have the right to review and to copy any records or supporting documentation pertaining to their performance of this Agreement or the Authorized Work, during normal business hours, and to allow reasonable access in order to interview any employees of the Party who might reasonably have information related to such records. Further, the Parties agree to include a similar right of the Parties and/or the Commission to audit records and interview staff in any subcontract related to performance of the Authorized Work or this Agreement.

23. STOP WORK PROCEDURES

The Utilities may suspend the Authorized Work being performed in its service territory for good cause, including, without limitation, concerns relating to program funding, implementation or management of the 2006-2008 Program, safety concerns, fraud, or excessive Customer complaints, by orally notifying each other Party to suspend the Authorized Work being performed in its service territory. Each Party performing Authorized Work in such Utility's service territory shall stop work immediately, and may resume Authorized Work only upon receiving written notice from the Utility that it may resume the Authorized Work.

24. MODIFICATIONS

Changes to this Agreement shall only be made by mutual agreement of all Parties through a written amendment to this Agreement.

25. TERM AND TERMINATION

25.1. Term. This Agreement shall be effective as of January 1, 2006. The Agreement shall continue in effect until August 31, 2009 ("Term") unless otherwise terminated in accordance with the provisions of Section 25.2 below.

25.2. Termination. Any Party may, upon approval of all non-breaching Parties, terminate this Agreement in the event of a material breach by one Party of any of the material terms or conditions of this Agreement, provided such breach is not remedied within sixty (60) days notice to a breaching Party thereof from a non-breaching Party or otherwise cured pursuant to the dispute resolution provisions set forth in Section 15 herein.

25.3. Effect of Termination. Any termination by LAC or by all of the Utilities shall constitute a termination of this Agreement in its entirety (subject, however, to the survival provisions of Section 37).

25.3.1. The terminating Party (in the event such termination by such Party does not completely terminate this Agreement) or each Party (in the event this Agreement is terminated in its entirety) shall be entitled to PGC or Gas Surcharge Funds for all Program Expenditures incurred or accrued pursuant to contractual or other legal obligations for Authorized Work up to the effective date of termination of this Agreement, provided that any Monthly Reports or other reports, invoices, documents or information required under this Agreement or by the Commission are submitted in accordance with the terms and conditions of this Agreement. The provisions of this Section 25.3.1 shall be a Party's sole compensation resulting from any termination of this Agreement.

25.3.2. In the event of a partial termination of this Agreement by a Utility, LAC and the remaining Utility, at their sole option without waiving any other rights as may be provided for in this Agreement, or in law or equity, may elect to continue the 2006-2008 Program jointly as continuing parties to this Agreement, in which case, the Cost Share of each remaining Utility shall be revised to reflect the revised pro rata share. If the terminating party is the Lead Utility, then SCG shall become the Lead Utility.

25.3.3. In the event of termination of this Agreement in its entirety, LAC shall stop any Authorized Work in progress and take action as directed by the Lead Utility to bring the Authorized Work to an orderly conclusion, and the Parties shall work cooperatively to facilitate the termination of operations and any applicable contracts for Authorized Work.

26. WRITTEN NOTICES

Any written notice, demand or request required or authorized in connection with this Agreement, shall be deemed properly given if delivered in person or sent by facsimile, nationally recognized overnight courier, or first class mail, postage prepaid, to the address specified below, or to another address specified in writing by a Party as follows:

LAC:

County of Los Angeles
Nora Hernandez
1100 N. Eastern Avenue
Los Angeles, CA 90063
(323) 881-3949 (telephone)
(323) ??????? (fax)
nhernandez@isd.co.la.ca.us

SCG:

Southern California Gas Company
Paulo Morais
555 West Fifth Street, GT28A4
Los Angeles, CA 90013
(213) 213-244-3246 (telephone)
(213) 213-244-8252 (fax)
PMorais@semprautilities.com

SCE:

Southern California Edison
Michael Lo
2131 Walnut Grove Avenue
Rosemead, CA 91770
(626) 302-3818 (telephone)
(626) 302-6253 (fax)
Michael.Lo@sce.com

Notices shall be deemed received (a) if personally or hand-delivered, upon the date of delivery to the address of the person to receive such notice if delivered before 5:00 p.m., or otherwise on the Business Day following personal delivery; (b) if mailed, three (3) Business Days after the date the notice is postmarked; (c) if by facsimile, upon electronic confirmation of transmission, followed by telephone notification of transmission by the noticing Party; or (d) if by overnight courier: on the Business Day following delivery to the overnight courier within the time limits set by that courier for next-day delivery.

27. CONTRACTS

Each Party shall, at all times, be responsible for its Authorized Work obligations, and acts and omissions of Contractors and persons directly or indirectly employed by such Party for services in connection with the Authorized Work.

28. RELATIONSHIP OF THE PARTIES

The Parties shall act in an independent capacity and not as officers or employees or agents of each other. This Agreement is not intended to and does not form any "partnership" within the meaning of the California Uniform Partnership Act of 1994 or otherwise.

29. NON-DISCRIMINATION CLAUSE

No Party shall unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, and denial of family care leave. Each Party shall ensure that the evaluation and treatment of its employees and applicants for employment are free from such discrimination and harassment, and shall comply with the provisions of the Fair Employment and Housing Act (Government Code Section 12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full.

Each Party represents and warrants that it shall include the substance of the nondiscrimination and compliance provisions of this clause in all subcontracts for its Authorized Work obligations.

30. COMMISSION AUTHORITY TO MODIFY

This Agreement shall at all times be subject to the discretion of the Commission, including but not limited to, review and modifications, excusing a Party's performance hereunder for good cause, or termination as the Commission may direct from time to time in the reasonable exercise of its jurisdiction. In addition, in the event that any ruling, decision or other action by the Commission adversely impacts the 2006-2008 Program, the Utilities shall have the right to terminate this Agreement in accordance with the provisions of Section 25 above by providing at least ten (10) days' prior written notice to LAC setting forth the effective date of such termination.

31. NON-WAIVER

None of the provisions of this Agreement shall be considered waived by any Party unless such waiver is specifically stated in writing.

32. ASSIGNMENT

No Party shall assign this Agreement or any part or interest thereof, without the prior written consent of the other Parties, and any assignment without such consent shall be void and of no effect. Notwithstanding the foregoing, if a Utility is requested or required by the Commission to assign its rights and/or delegate its duties hereunder, in whole or in part, such assignment or delegation shall not require any Party's consent, and such Utility shall be released from all obligations hereunder arising after the effective date of such assignment, both as principal and as surety.

33. FORCE MAJEURE

Failure of a Party to perform its obligations under this Agreement by reason of any of the following shall not constitute an event of default or breach of this Agreement: strikes, picket lines, boycott efforts, earthquakes, fires, floods, war (whether or not declared), revolution, riots, insurrections, acts of God, acts of government (including, without limitation, any agency or department of the United States of America), acts of terrorism, acts of the public enemy, scarcity or rationing of gasoline or other fuel or vital products, inability to obtain materials or labor, or other causes which are reasonably beyond the control of such Party.

34. SEVERABILITY

In the event that any of the terms, covenants or conditions of this Agreement, or the application of any such term, covenant or condition, shall be held invalid as to any person or circumstance by any court, regulatory agency, or other regulatory body having jurisdiction, all other terms, covenants, or conditions of this Agreement and their application shall not be affected thereby, but shall remain in full force and effect, unless a court, regulatory agency, or other regulatory body holds that the provisions are not separable from all other provisions of this Agreement.

35. GOVERNING LAW; VENUE

This Agreement shall be interpreted, governed, and construed under the laws of the State of California as if executed and to be performed wholly within the State of California. Any action brought to enforce or interpret this Agreement shall be filed in Los Angeles County, California.

36. SECTION HEADINGS

Section headings appearing in this Agreement are for convenience only and shall not be construed as interpretations of text.

37. SURVIVAL

Notwithstanding completion or of this Agreement, the Parties shall continue to be bound by the provisions of this Agreement which by their nature survive such completion or termination. Such provisions shall include, but not be limited to, Sections 9, 10, 13, 15, 18, 22, 35 and 37 of this Agreement.

38. ATTORNEYS' FEES

Except as otherwise provided herein, in the event of any legal action or other proceeding between the Parties arising out of this Agreement or the transactions contemplated herein, each Party in such legal action or proceeding shall bear its own costs and expenses incurred therein, including reasonable attorneys' fees.

39. COOPERATION

Each Party agrees to cooperate with the other Parties in whatever manner is reasonably required to facilitate the successful completion of this Agreement.

40. ENTIRE AGREEMENT

Final Draft

This Agreement (including the Exhibits hereto) contains the entire agreement and understanding between the Parties and merges and supersedes all prior agreements, representations and discussions pertaining to the subject matter of this Agreement.

41. COUNTERPARTS.

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall be deemed to be one and the same instrument.

[Remainder of Page Left Intentionally Blank]

Final Draft

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives.

SCG:

**SOUTHERN CALIFORNIA GAS
COMPANY**

By: _____

Name Printed: Anne Smith

**Its: Senior Vice President,
Customer Services**

Date: _____, 2006

SCE:

**SOUTHERN CALIFORNIA EDISON
COMPANY**

By: _____

Name Printed: Lynda Ziegler

Its: Sr. Vice President, Customer Services

Date: _____, 2006

LAC:

COUNTY OF LOS ANGELES

By: _____

Name Printed: Its:

Date: _____, 2006

ATTACHMENTS

- Exhibit A: Utility 2006-2008 Program Implementation Plans (A-1, A-2)
- Exhibit B: EM&V Plan approved by the Commission
[To be attached hereto after Commission approval]
- Exhibit C: Project Package
- Exhibit D: Reporting Requirements

SCE/SCG/County of Los Angeles Energy Efficiency Partnership Program

2006-08 PROJECT AGREEMENT [DRAFT 6/13/06]

County Information

COUNTY NAME		<i>For Program Administration use only</i> AGREEMENT NUMBER	
ADDRESS		CITY/STATE	ZIP CODE
CONTACT NAME () ()		TITLE	
PHONE NO.	FAX NO.	E-MAIL TAX STATUS: Corp. Non-Corp. Exempt	
FEDERAL TAX ID NUMBER		Exempt Reason	

Project Information

PROJECT NAME				
DEPARTMENT				
ADDRESS		CITY/STATE	ZIP CODE	
BUILDING TYPE	GROSS SQ. FT.	CONDITIONED SQ. FT.	FACILITY SIC	EST. COMPLETION DATE
ELECTRIC UTILITY	GAS UTILITY			
ATTACHED CALCS/DOCUMENTATION		PROJECT TYPE:		
Form 2	Metering Data	Retrofit	Emerging Technology	
SPC Calculations	Other _____	RCx/MBCx	Other: _____	
Hourly Energy Analysis	_____	New Construction	_____	

Proposed Energy Savings, Demand Reduction, and Incentive Estimate

DESCRIPTION	kW	kWh	Therms	\$
Lighting, Lighting Controls, Daylighting Systems				
Motors, Drives, Controls, Packaged Units				
Central Plants, Chiller Retrofits, Whole Building, Major Infrastructure Projects				
Retrocommissioning (MBCx/RCx)				
Plug and Process Loads				
Other:				
<i>TOTALS</i>				

X _____ Date _____
 [IOU] Reviewer/Authorized Signature

Estimated Incentive: \$ _____

TERMS AND CONDITIONS:

This Agreement is entered into by [Investor Owned Utility Name] (hereafter referred to as "[IOU]") and the County of Los Angeles (as indicated herein and hereafter referred to as "County"). This Agreement is a one-time offer to provide a financial incentive to the County for participation in the 2006-SCE/SCG/County of Los Angeles Energy Efficiency Partnership Program ("Program") pursuant to the terms and conditions contained herein and in the Program documents, which are incorporated into this Agreement by reference and shall include the 1) Form 2-Project Funding Proposal, 2) SPC Procedures Manual (latest version) and 3) Retrocommissioning/Monitoring-Based Commissioning (RCx/MBCx) Guidelines, which have been provided to the County. Funding was approved for this Project by the Program's Management Team. The County shall not commence the Project until the complete execution of Agreement. This Agreement is valid until June 30, 2009. [IOU] will deliver an executed copy of this Agreement to the County after acceptance and execution by [IOU]. [IOU] reserves the right to modify or cancel the incentive offer provided herein, if the actual system(s) installed differs from the approved Project installation. [IOU] reserves the right to modify or discontinue this Program without prior notice at its discretion, or by order of the CPUC. Payment of the incentives shall be made to the County only after all program requirements are met. Final incentive payment shall be made to the County upon verification of installation by a Program Representative.

Project Completion: Projects shall be completed and verified by Program Representative by December 31, 2008

ELIGIBILITY:

- To be eligible for incentives under the Program, the County's project proposed herein must be located on a California Community College, and be a facility retrofit, monitoring-based commissioning (MBCx) or new construction project located within [IOU]'s service territory.
- County must install the energy-efficient equipment or system(s) specified in the attached Form 2 which at minimum exceeds the program baseline energy use or a generally-accepted industry standard for energy efficiency.
- Installation of any energy-efficient equipment required for compliance with Title 24 will not qualify for incentives under this Program.
- Energy savings, and incentives based on those savings, will be based on energy efficiency improvements beyond the minimum, currently in effect, Title 24 requirements, where applicable.
- Specific restrictions apply to each energy efficiency system, as outlined in the Program Documents.
- To be eligible for incentives under this Program, County agrees that they will not apply for or receive incentives offered by local or state entities or other utilities for measures covered under this Agreement.

COUNTY AGREES TO:

- Install and operate the proposed Project in accordance with applicable laws, safety standards, and existing governmental regulations or orders.
- Provide [IOU] with documentation needed to establish the performance of systems selected. County agrees to provide [IOU] with all documentation necessary for verification of installation and performance of energy efficient systems qualifying for incentives.
- Provide manufacturer's specification sheets to [IOU] prior to the final payment of the incentive. Also, upon request, County agrees to submit vendor and/or contractor invoice(s) to verify that incentive payments will not exceed 80 percent of the total or incremental cost (whichever is applicable) associated with the purchase/installation of the energy efficient technologies.
- Accept as final authority, [IOU]'s determination of the incentive amount.
- Allow [IOU] and California Public Utilities Commission ("CPUC") representatives' reasonable access to County's project site to inspect and verify installation and operation. County understands that said inspection and verification is not a safety inspection.
- Participate in measurement and evaluation study, if selected. These studies are used to analyze current program performance and improve future program designs. County agrees to fully cooperate with the study team if asked to participate.
- County shall indemnify, defend, and hold harmless [IOU], its successors, assigns, affiliates, subsidiaries, parent company, officers, directors, agents, and employees from and against all claims, losses, damages, costs, expenses, and liability arising from 1) injury to persons or property, 2) death, 3) violation of any law or regulation (including those that establish strict liability); so long as such injury, violation, or strict liability is caused by or in any way connected with County's performance of this Agreement. County shall, at Utility request, provide a defense against any claim covered by this indemnity.
- In no instance shall [IOU] be liable for any incidental, special, or consequential damages as a result of this Agreement.
- Furthermore, County understands that [IOU] makes no representations and warranties as to proper installation, product endorsement, technical feasibility, operational capability, and/or reliability of equipment for which incentives are paid. County agrees not to make any such representations and warranties to third parties and agrees to indemnify [IOU] in the event said representation and warranties are made to third parties. County further acknowledges that any incentive paid is funded through Public Goods Charge and/or Gas Surcharge funds from California ratepayers and that said incentives are intended for the benefit of customers of California utilities.
- County consents to [IOU]'s assignment of all its rights, duties, and obligations under this Agreement ("Duties") to the CPUC or its designee, if requested. Such assignment shall relieve [IOU] of all Duties arising under this Agreement. Other than such assignment by [IOU], neither Party shall assign its right or delegate its duties without the prior written consent of the other Party, except in connection with the sale or merger of a substantial portion of its properties. Consent to assignment shall not be unreasonably withheld. If an assignment is requested, the County may be required to provide additional information if requested by [IOU].
- County agrees that [IOU] will receive the energy benefit for which the County incentive is paid, for a period of not less than five years or the rated life of the equipment if that is less than five years. County agrees that if 1) County does not provide [IOU] with 100 percent of the related benefits specified in the application, for a period of five years from the receipt of the incentive, or 2) the energy benefit to Utility ceases (for example, if County's company stops using the equipment or no longer pays the Public Goods Charge and/or Gas Surcharge, as the case may be. County will

return to [IOU] the prorated portion of the County Incentive dollars based on the actual period of time for which County provided the energy benefit.

- **Reporting Requirements.** The County shall comply with any request by the IOU to ensure compliance with all necessary reporting requirements. In addition, the County shall be responsible for providing all information necessary for the IOU to adhere to the reporting requirements set forth by the CPUC. [IOU] reserves the right to request additional information from the County at any time to facilitate the IOUs reporting requirements.
- Should the Commission, at any time, issue a finding of unreasonableness as to any program expenditure of the County, and require a refund or return of the PGC or Gas Surcharge funds paid to the County in the reimbursement of such program expenditure, the County shall be solely and severally liable for such refund or return.
- [IOU] may suspend the Project being performed in its service territory for good cause, including, without limitation, concerns relating to program funding, implementation or management of the Program, safety concerns, fraud or excessive complaints, by notifying the County in writing to suspend the Project or any other work being performed in the [IOU]'s service territory. Any performance related to the Project or by the County in the [IOU]'s service territory shall stop immediately, and County may resume its Project or work only upon receiving written notice from [IOU] that it may resume its Project or work.

TAX LIABILITY:

Incentives may be taxable and will be reported by [IOU] to the IRS unless County qualifies under an exempt status. [IOU] will report the incentive as income to County on IRS Form 1099 unless County has established that they qualify for an exempt tax status as indicated on this Agreement. County is urged to consult a tax advisor concerning the taxability of incentives. [IOU] is not responsible for any taxes that may be imposed due to incentive payments.

[IOU] MAKES NO WARRANTY, WHETHER STATUTORY, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO ANY WARRANTIES REGARDING THE DESIGN, CONSTRUCTION, EQUIPMENT, OR INSTALLATIONS REFERRED TO HEREIN, OR THE BENEFITS TO BE DERIVED FROM THE INSTALLATION, OPERATION, AND USE OF SUCH EQUIPMENT, OR ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR USE OR APPLICATION. NO AGENT, EMPLOYEE, OR REPRESENTATIVE OF [IOU] HAS AUTHORITY TO BIND [IOU] TO ANY AFFIRMATION, REPRESENTATION, OR WARRANTY UNLESS EXPRESSLY MADE AND AGREED TO IN WRITING BY [IOU].

By execution of this Agreement, County certifies that County meets all the Program eligibility requirements and that the information supplied on this Agreement is true and correct. County certifies that County has read and understands the Program Documents and agrees to abide by Program rules and requirements set forth in the Program Documents. To be valid, this Agreement must be signed by all parties.

In witness whereof, the parties have executed this Agreement as of the date last set forth below.

[Investor Owned Utility]

SIGNATURE

SIGNATURE

County's Representative (Print name from above)

[IOU] Representative (print name from above)

Title

Date

Title

Date

2006-2008 County of Los Angeles/SCE/SCG Energy Efficiency Partnership Program
 Project Funding Proposal - FORM 2 - DRAFT

FILL IN HIGH-LIGHTED SPACES

Project Information		County Certification	
County:		Business Manager:	
Department:		Business Manager Telephone Number:	
Electric and Gas Utilities:	<input type="checkbox"/> PG&E <input type="checkbox"/> G&S <input type="checkbox"/> PG&E	Project Director:	
County Contact Name:		Project Director Telephone Number:	
Project Title:		Project Director Fax Number:	
County Contact Phone:		Technical/Cost Calculation by (Name/Company):	
County Contact Email:		Calculation Preparer's Title:	
Form 2 Completion Date:	02/07/08	Calculation Preparer's Phone Number:	

Briefly Describe the Proposed Project's Intent and Scope. (Note: use Alt + Enter buttons to add text to next line)
 For Educational Co-Sponsorship of Vocational Education and Training: (Briefly describe project and benefits, attach detail information with cost benefit analysis).

EXHIBIT D

REPORTING REQUIREMENTS

1. Reporting

1.1 LAC shall provide each respective Utility with the requisite information, in accordance with the Agreement, on the prior month's activities, accomplishments and expenditures related to its respective Authorized Work or Approved Project obligations, for purposes of preparing the Monthly, Quarterly and Annual Reports.

1.2 The Lead Utility shall provide LAC in accordance with the provisions of the Agreement, or otherwise make available to LAC on SCE's website, a copy of the filed Monthly Report within five (5) Business Days after filing.

2. Monthly Report

2.1 Program Data – A spreadsheet table or tables listing which includes the following information:

Program Costs (cost reported cumulative-to-date (also referred to as inception-to-date))

- a. Program identification number as provided by the Program Administrator
- b. Program name
- c. Total cumulative program authorized budget as adopted by the Commission
- d. Total cumulative program operating budget which includes any mid-course budget modifications (e.g., fund shifts)
- e. Total cumulative program expenditures
- f. Total program expenditures for the report month
- g. Total cumulative commitments (limited to incentive commitments)

Program Impacts (cost reported cumulative-to-date (also referred to as inception-to-date))

- h. Total cumulative net kW, kWh, and Therm savings projections
- i. Total cumulative achieved net kW, kWh and Therm savings
- j. Total achieved net kW, kWh and Therm savings for the report month
- k. Total committed (limited to incentive commitments) net kW, kWh and Therm savings

2.2 Program Changes/New Program Information

If applicable, the following information should be reported in the Monthly report

- a. Identification of program with operating budgets reduced during the report month
- b. Identification of program with operating budgets increased during the report month
- c. Identification of program terminated during the report month

3. Quarterly Report

3.1 Portfolio Benefit/Cost Metrics (Cumulative to Date)

- a. Total cost to billpayers (TRC, administrative cost and incremental cost per the Standard Practice Manual)
- b. Total savings to billpayers (TRC)
- c. Net benefits to billpayers (TRC)
- d. TRC Ratio
- e. PAC Ratio
- f. Cost per kWh saved (cents/kWh) (PAC)
- g. Cost per therm savings (\$/therm) (PAC)

3.2 Measure List –A spreadsheet table for each program or program element¹ containing each measure installed, service rendered, or measure/service committed during the report month for which the Program intends to claim savings. LAC should include any new measures as part of the quarterly report. The list should display each measure as it is tracked and recorded by the implementer and should include the following parameters at a minimum:

- a. Name of Measure or Service Rendered
- b. Measure or Service Description
- c. DEER Measure ID (where applicable)
- d. DEER Run ID (where applicable)
- e. Unit Definition
- f. Unit gross kWh savings
- g. Unit gross Therms savings
- h. Unit gross kW demand reduction
- i. Incremental Measure Cost
- j. Net to Gross Ratio
- k. Effective Useful Life
- l. Detailed end use classification (using classification scheme in section 6)
- m. Quantity Installed during report period
- n. Quantity Committed during report period
- o. Rebate amount paid
- p. Market Sector classification (using classification scheme in section 6)
- q. Market Segment classification (using classification scheme in section 6)

3.3 Expenditures for the program per cost reporting format below (Section 7 below contains list of allowable costs)

- h. Commission Authorized Budget
- i. Operating Budget
- j. Total Expenditures
 - i. Administrative Cost
 - ii. Marketing/Advertising/Outreach Costs
 - iii. Direct Implementation

3.4 GBI Report – Progress towards achieving goals of the Green Building Initiative, if applicable (Cumulative results)

- a. Estimate of expenditures on program activities that contribute towards GBI goals (including both public and non-public commercial participants)
- b. Net cumulative achieved kW, kWh and Therm savings contributing towards GBI goals.
- c. Net achieved kW, kWh and Therm savings contributing towards GBI goals for the quarter.
- d. A description of non-resource program activities that support the Green Building Initiative, including marketing and outreach activities.
- e. Estimate of square footage affected by program activities supporting the Green Building Initiative
- f. Items b, c and e above disaggregated by:
 - i. 2-digit NAICS code
 - ii. Aggregated end use classification (using classification scheme in section 5)

3.5 Program Narratives – For the program, a description of the program activities occurring during the quarter.

- k. Administrative activities
- l. Marketing activities
- m. Direct Implementation activities

¹ Identification of distinct programs and program elements may be determined by CPUC staff at a later time.

- n. Implementer’s assessment of program performance and program status (is the program on target, exceeding expectations, or falling short of expectations, etc.)
- o. For non-resource programs and program elements (programs or program elements that are not claiming direct energy impacts), a discussion of the status of program achievements.
- p. Discussion of changes in program emphasis (new program elements, less or more emphasis on a particular delivery strategy, program elements discontinued, measure discontinued, etc.)
- q. Discussion of near term plans for program over the coming months (e.g., marketing and outreach efforts that are expected to significantly increase program participation, etc.)
- r. Changes to staffing and staff responsibilities, if any
- s. Changes to contacts, if any
- t. Changes to subcontractors and subcontractor responsibilities, if any
- u. Number of customer complaints received
- v. Program Theory and Logic Model if not already provided in the program’s implementation plan, or if revisions have been made.

3.6 SCE Quarterly Reports – The Lead Utility shall provide LAC a copy of the filed Quarterly Report within five (5) Business Days after filing with the Commission in accordance with the Agreement.

4. Annual Reports

The format and content of the annual report is expected to be developed by the CPUC in fall 2006. LAC will be required to fulfill these reporting obligations for their program.

5. Reporting Terminology Definitions

Adopted Program Budget – The program budget as it is adopted by the Commission. Inclusive of costs (+/-) recovered from other sources.

Operating Program Budget – The program budget as it is defined by the program administrators for internal program budgeting and management purposes. Inclusive of costs (+/-) recovered from other sources.

Direct Implementation Expenditures – Costs associated with activities that are a direct interface with the customer or program participant or recipient (e.g., contractor receiving training). *(Note: This is still an open issue, the items included in this definition may be changed by the CPUC pending discussion on the application of the State’s Standard Practice Manual.)*

Report Month – The month for which a particular monthly report is providing data and information. For example, the report month for a report covering the month of July 2006, but prepared and delivered later than July 2006, would be July 2006.

Program Strategy – The method deployed by a program in order to obtain program participation.

Program Element – A subsection of a program, or body of program activities within which a single program strategy is employed. (Example: A body of program activities employing both an upstream rebate approach and a direct install approach is not a single program element.)

6. Measure Classification

Measure End-Use Classification

Each energy efficiency measure reported should be classified into one of the following end-use categories

Residential End Uses

Detailed End Use

Clothes Dryer

Aggregated End Use

Appliances

Final Draft

Clothes Washer
Consumer Electronics
Cooking
Dishwasher
Other Appliance
Building Shell
Space Cooling
Space Heating
Interior Lighting
Exterior Lighting
Pool Pump
Freezers
Refrigeration
Water Heating

Appliances
Consumer Electronics
Cooking Appliances
Appliances
Appliances
HVAC
HVAC
HVAC
Lighting
Lighting
Pool Pump
Refrigeration
Refrigeration
Water Heat

Los Angeles County Partnership

1. Projected Program Budget	\$4,743,598
2. Projected Program Impacts	
MWh	12,337
MW (CEC Factor)	2.599
3. Program Cost Effectiveness	
TRC	1.52
PAC	2.21

4. Program Descriptors

Market Sector: Nonresidential, small, medium and large customers
Program Classification: Local
Program Status: Revised Existing

5. Program Statement

The 2006-08 SCE/SCG/County of Los Angeles Energy Efficiency Partnership will build on the lessons learned from the existing, successful partnership program. The current partnership consists of several elements such as Retrofit, Retro-commissioning, Technology Transfer/Feasibility Study and Public Housing Metering. This proposed partnership will focus mainly on retro-commissioning activities in County of LA facilities, continue the Public Housing Metering element, apply some of the recommendations from the Public Agency Collaboration study and will explore opportunities to expand the partnership to include retrofit and retro-commissioning activities in other county affiliated agencies. These agencies may include the Los Angeles County Office of Education (LACOE), the Los Angeles Unified School District (LAUSD), and the Los Angeles County Metropolitan Transportation Authority (LACMTA). The implementation of projects into these other agency facilities will be contingent on the availability of additional program funding during the 2006 - 2008 program cycle.

6. Program Rationale

The County of LA Partnership is a continuation of the existing, successful 2004-2005 program. This partnership is unique in that it allows existing resources to be leveraged including technical and energy project management expertise to facilitate the implementation of needed energy efficiency projects.

There are many governmental agencies and school districts that have previously not participated on a regular basis in energy efficiency programs and can therefore be considered hard to reach. The partnership will look to identify savings opportunities in these markets and as additional funding becomes available will implement the projects.

7. Program Outcomes

This partnership program will continue to achieve immediate electric and gas energy savings and peak demand reduction at county facilities. These energy savings will be accomplished by applying the retro-commissioning (RCx) processes that will result in the implementation of recommended energy efficiency measures to optimize the operation of HVAC and Lighting systems in each building.

The RCx program element will be enhanced with the County funding contribution, in-kind technical labor resources and the utilization of its existing, state-of-the-art Enterprise Energy Management Information System (EEMIS) which allows real-time, online monitoring of building systems.

Additional energy savings may be achieved by implementing retro-commissioning and retrofit measures in other county agencies. This partnership will seek opportunities to reduce peak demand and create energy savings in other facilities such as Los Angeles County Office of Education (LACOE), the Los Angeles Unified School District (LAUSD), and the Los Angeles County Metropolitan Transportation Authority (LACMTA). However, the implementation of projects for these organizations will be contingent on the availability of additional funds. If available, the sources of funding may come from SCE's Energy Efficiency budget or from this partnership's budget. In the event that the County of Los Angeles exhausts its opportunities to implement cost effective RCx projects, the surplus funds may be shifted to other retrofit and retro-commissioning projects for additional energy savings. Where applicable, these activities will be coordinated and will leverage resources of other utility programs such as Express Efficiency, Standard Performance Contract, Demand Response and Savings by Design.

As the opportunities arise to expand the program to include other county-affiliated organizations, a larger facility pool will be created to capture more energy savings. This increase in facility pool will meet or exceed the overall program cost effectiveness while capturing "lost opportunities."

Other program outcomes will include:

- Opportunities to share best practices and lessons learned from partnership activities, especially in the areas of retro-commissioning and monitoring based commissioning.
- Demonstrate the value of energy efficiency activities, and the benefits associated with having a local government energy efficiency management team that focuses on timely implementation of cost-effective projects with attractive payback for local government entities.
- Demonstrate the feasibility of a local government entity with upper management support in energy efficiency, can create opportunities to save energy, reduce operating cost and improve occupancy comfort.

8. Program Strategy

The implementation strategy will capitalize on the lessons learned from the current partnership program. A higher emphasis will be applied to the retro-commissioning

element since preliminary results from the current RCx activities of 10 county courthouses and administration buildings have provided higher than expected energy savings. In addition, if funding is available, the partners will implement retrofit and RCx projects in other county affiliated agencies. There are more retrofit opportunities in other county affiliated agencies since County of LA departments, through the Internal Services Division, have already implemented most of the cost effective retrofit projects. The Multi-family Public Housing metering element will also be continued in this program cycle. Lastly, this partnership will seek opportunities to implement some of the recommendations noted in the feasibility study on public agency collaboration which was conducted as part of the PY04-05 program.

Retro-Commissioning Element (RCx):

There will be a major change in the implementation strategy for retro-commissioning. The county will apply the lessons learned from current RCx projects to streamline the RCx process for the new program cycle. The Internal Services Department (ISD) will contribute more in-house staff to perform many of the tasks associated with the retro-commissioning process such as preliminary investigation, bench marking, determination of system deficiencies, and correction of those deficiencies. Contractors will be utilized for tasks where County staff does not have the resources or expertise to address the issues. ISD will also contribute separate funding to improve the cost effectiveness of the RCx element.

The continuing use of ISD's in-house, existing EEMIS is a critical component of the RCx element. EEMIS will continue to be utilized for benchmarking, pre-functional and functional trending analysis, and post-implementation measurements. The use of EEMIS will also ensure persistence in energy savings and will provide a real-time monitoring tool for the County's maintenance and operations staff to efficiently and effectively monitor and diagnose issues in its buildings. Furthermore, the California Commissioning Collaborative may use EEMIS to support its efforts to develop facility benchmarking standards for RCx utilizing energy management systems. EEMIS will be expanded under this program cycle to accommodate the needs of the proposed scope of work. This expansion will be in the form of additional monitoring points to replace those utilized by the current RCx activities in the 10 county buildings.

Retrofit Element:

This partnership will seek opportunities to reduce peak demand and create energy savings in other facilities such as Los Angeles County Office of Education (LACOE), the Los Angeles Unified School District (LAUSD), and the Los Angeles County Metropolitan Transportation Authority (LACMTA). However, the implementation of projects for these organizations will be contingent on the availability of additional funds. The partnership will work with these entities to identify projects and have a pool of projects available in the event that additional funding becomes available. These additional strategies will include retrofit projects such as complete lighting retrofits (T5 technology, LED applications, newer 28 watt T-8's), building wide lighting controls, boiler

replacements, installation of water heaters, tankless water heaters, and HVAC upgrades/replacements in County-affiliated facilities. The experience and knowledge acquired in identifying and implementing retrofit projects will be transferred to staff members of these entities. If implemented, these projects will be funded based on incremental energy savings for each measure and each project will have to meet the required utility cost effectiveness guidelines.

Multi-Family Public Housing Metering Element:

The Multi-family Public Housing metering element will be continued in this program cycle. More time is needed to install the metering equipment and sufficient time is required to gather customer energy usage data.

The partnership is currently collaborating with the Los Angeles County Community Development Commission SCE's Emerging Technologies Department and USCL, the supplier of the monitoring equipment, to implement this element,.

Public Agency Energy Efficiency Knowledge and Technology Transfer Element:

This partnership will seek opportunities to implement some of the recommendations noted in the feasibility study on public agency collaboration which was conducted as part of the 2004-2005 program.

9. Program Objectives

The primary objectives of the program are to produce cost effective energy savings, help develop standard methodologies to be implemented in other RCx programs, and to develop strategies to share these experiences with other local governments and public agencies. Specifically, these objectives include:

- Improved cost effectiveness on a \$/kWh or \$/therm basis for implemented projects.
- Improved partnership coordination and project implementation process.
- Increased transfer of energy efficiency knowledge and implementation experience to other local governments.
- Increased awareness and knowledge of the benefits of energy efficiency initiatives for local governments.
- More integrated efforts between partnership activities and utility programs offerings.

10. Program Implementation

The implementation plan for this program cycle will include the continuation of activities implemented in the 2004-2005 SCE/SCG/County of LA Partnership program. The partnership will apply the lessons learned from the current partnership program. The management structure of the partnership will remain the same with projects managed by a management team which consists of representatives from each partner (SCE, SCG, County of LA). Each program element will be coordinated through specific project teams for RCx, Retrofit and Public Housing Metering.

SCE will retain the overall administration of the partnership program. The partnership will work together to establish funding guidelines for various projects, sharing technical expertise, and implementing projects. The partnership also will coordinate the use of ISD's own resources and total program resources to identify and develop projects, manage individual projects, and track costs and savings. Contracting for construction work will be shifted from the utilities to the County of LA to facilitate the implementation process. However, project decisions will continue to be made by the management team on a partnership level.

As previously noted, a higher emphasis will be placed on the retro-commissioning element since preliminary results from the current RCx activities of 10 county courthouses and administration buildings have provided higher than expected energy savings. In addition, if funding is available, the partners will implement retrofit and RCx projects in other county affiliated agencies. There are more retrofit opportunities in other county affiliated agencies since County of LA departments, through the Internal Services Division, have already implemented most of the cost effective retrofit projects. The Multi-family Public Housing metering element will also be continued in this program cycle. More time is needed to install the metering equipment and sufficient time is required to gather customer energy usage data. Lastly, this partnership will seek opportunities to implement some of the recommendations noted in the feasibility study on public agency collaboration which was conducted as part of the 2004-2005 program.

Retro-Commissioning (RCx) Program Element:

The RCx program element will be implemented as follows:

Key Activity	Description
1. Identification and selection of facilities to be RCx	Partnership management team (SCE, SCG, County of LA) will evaluate the potential of identified sites and select the most cost effective facilities to proceed with RCx activities.
2. Develop site specific assessment tools and checklists	RCx project team (SCE, SCG, County of LA representatives) will establish the process for RCx activities and will coordinate with LAC/ISD staff to investigate facilities, determine equipment and systems, develop facility prioritization procedures. LAC/ISD's EEMIS will be heavily utilized in this phase.

Key Activity	Description
3. Market program, enroll customers	Partnership management team (SCE, SCG, County of LA) will establish marketing strategies and will meet with and educate County facility managers and administrators about program scope, goals, their participation and follow-up.
4. Hire contractors, determine roles	Partnership management team (SCE, SCG, County of LA) will coordinate with LAC staff to develop the RFP's, solicit bids and will select RCx technical resource, and implementer as necessary,
5. Hold building scoping meetings, site investigations, staff interviews	RCx project team in coordination with LAC/ISD staff and technical resources/contractor will analyze the data collected during the investigations and identify the specific facilities in which to implement energy efficiency measures under this program.
6. Install monitoring systems for initial diagnostic monitoring.	RCx project team in coordination with LAC/ISD staff and contractors will work with the customers to record initial operating data. Much of this step will utilize EEMIS where it is already installed to provide historical operating data.
7. Analyze data and develop recommendations	RCx project team in coordination with LAC/ISD staff and contractors will review data, determine recommended improvements, and determine feasibility. Improvements will include no-cost measures as well as potential retrofit measures. Recommendations will be forwarded to management team for review and approval prior to commencement of project implementation.
8. Implement improvements	RCx project team will have oversight of project implementation. LAC staff and/or RCx contractor will implement improvements.

Key Activity	Description
9. Second round of diagnostic monitoring	RCx project team in coordination with LAC/ISD staff and contractors will work with the customers to record further operating data. Much of this step will utilize EEMIS where it is already installed to provide historical operating data. RCx project team will provide final improvement recommendations to Management team for review and approval prior to commencement of final improvements.
10. Make final improvements	RCx project team will have oversight of project implementation. LAC staff and/or RCx contractor will implement final improvements as needed. LAC staff and/or RCx contractor will also identify opportunities to retrofit EE gas and electric measures to improve building operation.
11. Train building staff	RCx project team in coordination with LAC/ISD staff and/or contractor will provide training to facility management staff on implemented measures and recommended follow-up activities.
12. Project close out, submit final report	RCx project team in coordination with management team will establish the formats and requirements for the RCx final report. The RCx contractor will provide the final report in the established format and will provide information such as lists of deficiencies, improvements, recommendations and project annual and long term savings. Follow-up activities and recommendations will incorporate LAC/ISD's long-term ability to monitor performance via EEMIS.

Retrofit Program Element:

The Retrofit element will be implemented only when additional funding is available to provide incentives for retrofit projects in other facilities such as Los Angeles County Office of Education (LACOE), the Los Angeles Unified School District (LAUSD), and the Los Angeles County Metropolitan Transportation Authority (LACMTA). The partnership will work with these entities to identify projects and have a pool of projects available in the event that additional funding becomes available. The energy efficiency

measures for retrofit projects will include electric and gas measures such as lighting retrofits (T5 technology, LED applications, newer 28 watt T-8's), building wide lighting controls, boiler replacements, installation of water heaters, tankless water heaters, and HVAC upgrades/replacements. The partnership experience and knowledge acquired in identifying and implementing retrofit projects will be transferred to staff members of these entities. These retrofit projects will receive incentives for incremental energy savings for each measure and each project will have to meet the required utility cost effectiveness guidelines.

The Retrofit Element will be implemented as follows:

The table below describes the major activities this partnership will conduct and oversee to implement the proposed retrofit program element.

Key Activity	Description
1. Identify additional funding for Retrofit projects	The partnership management team will work with the utilities to identify additional funding for retrofit projects of other county agencies.
2. Collaborate with targeted agencies to discuss retrofit opportunities and get buy-in for project	If funding is available, the partnership will meet with representatives from targeted agencies to discuss EE opportunities and obtain upper management approval for projects.
3. Identify key stakeholders to participate in retrofit program	The management team, in collaboration with the targeted agency, will identify key stakeholders in each agency to participate in the retrofit project team.
4. Develop project criteria and cost-effectiveness requirements.	The retrofit project team will establish the criteria for project selection and develop the requirements for incentive payments, etc.
5. Develop process for identifying projects and to generate a pool of projects for agencies.	The retrofit project team will establish the process for identifying projects and develop forms and procedures to solicit projects and generate a pool of projects for potential retrofit work.
6. Conduct solicitation for potential projects from participating agencies	The retrofit project team will coordinate with LAC and targeted agency staff to generate a pool of projects for evaluation.

Key Activity	Description
7. Compile and evaluate projects based on project criteria and cost effectiveness requirements.	The retrofit project team will perform due diligence on proposed projects to ensure that each project meets the criteria and cost-effectiveness requirements. Project team will provide a list of recommended projects to proceed with implementation.
8. Approve projects for funding	The management team will review project team recommendations for potential retrofit projects and will approve funding based on incremental energy savings.
9. Coordinate project implementation with partners and contractors.	The retrofit project team will have oversight of project implementation and will coordinate with LAC and contractors to ensure successful and timely implementation of the project.
10. Verify project installation and provide incentive payments.	The retrofit project team in coordination with LAC staff and contractors will inspect roughly 25% of the retrofit projects. Retrofit projects with incentive levels in excess of \$100K shall be flagged for 100% inspection. Upon verification, project team will approve the completed projects for incentive payments.
11. Compile project results and complete final report	The retrofit project team will compile all relevant project information including measure information, energy savings, and program incentives paid, etc.
12. Coordinate with EM&V contractor where applicable.	If required, the management team will coordinate with the project teams and key stakeholders to support any requests from the CPUC approved EM&V contractor.

Multi-Family Public Housing Metering Program Element:

The Public Housing Metering Element will be implemented as follows:

Key Activity	Description
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Key Activity	Description
1. Identification and providing access to public housing facilities for meter, sensor, and display installation.	The metering project team will coordinate the selection of test sites with the Los Angeles Community Development Commission. In the PY04-05 program, the Orchard Arms facility, in Valencia was identified as one of the five locations for the project. The partnership is in the process of identifying the remaining of the sites.
2. Meter acceptance testing, purchase and installation of revenue-grade meters,	The metering project team, coordinated with internal SCE metering group, to acquire, validate and purchase revenue-grade meters for the projects. To date, all the meters have been completed and ordered. All meters for the Valencia facility have been installed. The meters were delivered and are waiting to be installed once the other sites are selected. SCE will coordinate with field delivery personnel to
3. Provide notifications and assist in training of tenants to fully utilize the LCD display to encourage positive behavioral changes in conservation and to use appliances more efficiently.	The metering project team will coordinate with LACDC to notify tenants of the projects and minimized issues that may arise from the meter installations.
4. Installation of optical sensors and display units.	The metering project team will coordinate with USCL (contractor) to install the optical sensors and display units.
5. Establish an evaluation protocol to study the impacts of meter and display technology.	The metering project team will coordinate with SCE's Emerging Technologies (ET) group to develop the monitoring protocol and evaluation process.
6. Monitor and acquire energy usage data	USCL (contractor) will ensure that equipment operates as efficiently as possible and that pertinent data is captured for the final report
7. Evaluate a test group and a control group and conduct energy usage analysis for all participating tenants to establish the pre and post impacts of the project.	ET will analyze the monitoring data and provide all pertinent information to be used in the final report.

Key Activity	Description
8. Generate a final report for the project.	The project team in coordination with ET and USCL, will compile all pertinent data to support the final report.

11. Customer Description

The customer base comprises of the County’s 38 departments that provide services to more than 10 million county residents. These departments include: Sheriff, Health Service, Probation, Superior Courts, Children and Family Services, Public and Social Service, Fire, Parks and Recreations, Registrar/Recorder, Chief Administrative Office, District Attorney, County Counsel, and Internal Services.

In addition, the partnership will explore opportunities with targeted agencies such as Los Angeles County Office of Education (LACOE), the Los Angeles Unified School District (LAUSD), and the Los Angeles County Metropolitan Transportation Authority (LACMTA).

12. Customer Interface

The partnership will interface with various County departments (customers). The partnership in coordination with LAC/ISD staff will meet with and educate the facility managers and administrator in the County and other targeted agencies about the program scope, goals, their participation and follow-up.

13. Energy Measures and Program Activities

13.1. Measures Information

The program primarily focuses on retro-commissioning activities that include building system optimization for lighting, heating and cooling loads. These RCx activities will identify opportunities to address system deficiencies for both gas and electric equipment. These deficiencies may require simple, quick fixes or may require a replacement of the inefficient or failed system component.

The retrofit measures may include lighting retrofits (T12 to T8, LED exit signs, HID, T5 technology), installation building-wide lighting controls, and HVAC upgrades/replacements (packaged units and chillers) that are not part of the RCx program. These retrofit projects will receive incentives for incremental energy savings for each measure and each project will have to meet the required utility cost effectiveness guidelines.

13.2. Energy Savings and Demand Reduction Level Data

Please refer to the E3 Calculator.

13.3. Non-energy Activities (Audits, Trainings, etc.)

The partnership program will provide training to facility staff through the RCx

component of the program to allow for persistence and sustainability of achieved energy savings.

In addition, this partnership will seek opportunities to implement some of the recommendations noted in the feasibility study on public agency collaboration which was conducted as part of the 2004-2005 program.

Subcontractor Activities

The partnership will rely on subcontractors to carry out certain portions of the partnership program. These subcontractors will include but not limited to the following:

Retro-Commissioning Contractors (“Contractors”)

The partnership management team which includes the SCE, SCG and LAC/ISD will oversee the procurement of RCx Contractors to assist in the implementation of the RCx program element.

- The RFP will be developed by LAC/ISD staff in coordination with the management team to obtain a pool of RCx contractors.
- Each project will be competitively bid from a pool of RCx Contractors, solicited under ISD’s procurement process.
- The scope of work for each successful contractors may include comprehensive audits, design, equipment purchase, and/or installation of the systems.
- The RCx project team in coordination with the management team will be responsible for approval of all design and installation activities.
- The contractors will enter into a contract with ISD to provide the agreed-upon equipment and services.
- Finally, RCx project team in coordination with LAC/ISD staff will provide all project management services on behalf of the customer.

Retrofit Contractors

As the partnership expands to other targeted agencies, additional contractors may be procured implement the RCx as well as energy retrofit projects. The key tasks that they may perform include:

- Completion of the final, comprehensive audits;
- Complete any necessary design work and obtain the necessary permits;
- Procurement of all material;
- Installation of the systems;
- Project Closeout including completion of punch list items.

13.5. Quality Assurance and Evaluation Activities

The SCE/SCG/County of LA management team will establish and oversee quality assurance measures for the Partnership programs, including oversight and verification of

subcontractor activities. These procedures and the associated reporting will be developed in more detail as a part of program implementation. The management structure of this partnership will provide project teams, in each of the program elements, the opportunities to continue the level of due diligence and quality assurance of the current partnership program, including a representative percentage of pre/post installation confirmation inspections for small hardware projects, and pre/post inspections on all large or specialized projects hardware projects (installation of energy efficient equipment, facility retrofits, and building commissioning and new construction projects).

13.5.1. Expected Number/Percent of Inspections (planned percent of projects)

This partnership will inspect 100% of the Retro-commissioning projects and will inspect roughly 25% of the retrofit projects. Retrofit projects with incentive levels in excess of \$100K shall be flagged for 100% inspection.

13.6. Marketing Activities

The retro-commissioning and retrofit program element will use a similar marketing approach. The partnership management team, in coordination with the LAC/ISD staff, will conduct marketing and outreach efforts to better inform and educate customers of the energy efficiency services and programs available through the partnership program. The emphasis will be placed on marketing the retro-commissioning program element to large County facilities. The RCx program will target mainly buildings with office space of over 100,000 square feet. However, smaller building size may be considered if RCx process will yield cost-effective energy savings. The retrofit program will be targeted to the facilities in other county agencies. These building may be large, over 100,000 square feet. However, a majority of the retrofit projects will be in smaller size buildings that are 25,000 square foot and under. This established market base will allow the partners to focus directly on those customers.

This outreach effort will be accomplished mainly through contacts with facility administrators and managers to inform them of the availability and scope of the retrofit and RCx program elements and to explain the benefits associated with measures for which their facilities have been selected. Key activities will be:

Key Activity	Description
Outreach	The partnership management team in coordination with LAC/ISD administrative staff will begin outreach efforts by contacting the heads of facilities management for each department to inform them of the availability of funds for approved measures and activities in County facilities. When additional funds are available, the team will also outreach to other targeted agencies within LA County. The team will schedule meetings to discuss the options, implementation criteria, and benefits of program participation, as well as program offerings.

Key Activity	Description
Customer Follow-Up	The partnership management team in coordination with staff from LAC/ISD, SCE and SoCalGas, will visit each targeted site to talk with facilities manager(s) about the various options and proposed energy efficiency measures. After confirming an appropriate site for implementing measures and/or retro-commissioning, The management team will meet with the appropriate facilities managers to present the anticipated energy savings, the incentive amount and other benefits and considerations associated with the implementation.
Implementation – Training	In addition, the partnership management team will share energy efficiency knowledge and implementation experience with other local government entities through a series of meetings and workshops.

14. Program Changes

The plan for this Partnership has been developed for this compliance filing.